

UNITED STATES DEPARTMENT OF AGRICULTURE
✓ RURAL ELECTRIFICATION ADMINISTRATION
WASHINGTON 25, D. C.

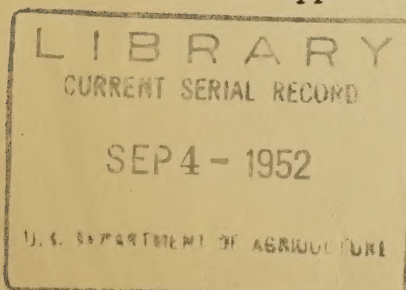
✓ MANAGEMENT DIVISION STAFF BULLETIN NO. 7

SUBJECT: Procedure For Reporting Work Performed At Field Headquarters
By Field Personnel

The purpose of this bulletin is to set forth guide lines relative to the reporting of work performed under Category 5 (e), Administrative Time and Category 5 (f), Headquarters Time Spent on Borrower's Problems as set forth in Management Division Staff Bulletin No. 6. For the purpose of demonstrating the continuity of work performed by the field personnel in rendering advice and assistance to borrowers, it is necessary that administrative time and headquarters time spent on borrower's problems be reported when submitting the ADM 36, Field Activities Report to Washington headquarters.

- I. Administrative Time - This category includes all time utilized in performing administrative matters such as conferring with Section Head or Assistant Section Head or other REA staff on matters of an administrative or general nature; time spent in Washington, D. C., working on matters of a general nature which do not pertain to any particular borrower; reviewing or preparing correspondence; and time spent in headquarters on official business which does not pertain directly to rendering advice and assistance to borrowers.
- II. Headquarters Time Spent on Borrower's Problems - This category will include all time utilized in performing work during stay at headquarters, pertaining directly to rendering advice and assistance to borrowers, such as preparing field reports, developing management programs or analysis of borrower's operation, compiling data on borrower's operations, etc.
- III. An ADM 36, Field Activities Report, must be in the Section files to substantiate the administrative time and headquarters time spent by the field personnel. This report should indicate the time spent and work accomplished by the field personnel.
- IV. It is further required that when administrative time spent falls on a work day, it should be reported as such on the expense voucher to demonstrate continuity. It will be the responsibility of the Section Heads to also check and verify such administrative time when he approves the expense voucher of the traveler for payment.

H. Allen Vandy



1.9 33
st 12
cop. 2

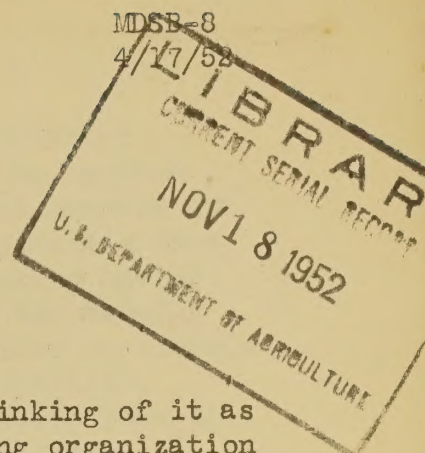
UNITED STATES DEPARTMENT OF AGRICULTURE
✓Rural Electrification Administration

MANAGEMENT DIVISION STAFF BULLETIN NO. 8

SUBJECT: Some Techniques for Achieving Better Organization

"Organization" has many different meanings. Here we are thinking of it as one of the tasks of management. Specifically, we are viewing organization as the process of division of work among the people who form a group and then the coordination and unification of the effects these people produce toward achievement of the stated objectives of the group. The particular techniques referred to herein, in this process of division and unification, are function charts, organization charts, and job descriptions.

Some time ago we published a sample functional chart as a part of the Field Manual. It is included here as Exhibit A. It sets forth in separate categories a logical classification of various activities that might be carried on in some rural electric cooperatives, and classifies these activities as functions. This sample functional chart may or may not be applicable for any particular cooperative. However, a person desiring to analyze an individual business organization cannot do so competently or fruitfully without deciding what the functions are or ought to be. It is a temptation to take these functions for granted, but each cooperative's situation must be independently studied and a functional chart developed suitable for the needs of that cooperative's situation. The reason is that the essential substance of constructive management assistance to a business wishing to increase its productivity and its efficiency consists of giving expert help to (1) determine the needed functional activities, (2) figure out simple effective methods and procedures, (3) eliminate unnecessary activities, and (4) figure out the most efficient division and assignment of the work to specific organizational units and positions. Therefore, at some step in the analytical process, it is also necessary to prepare a line or position chart of the organization which best fits the functional work to be done. A sample form of line chart is included as Exhibit B. Whereas the functional chart sets forth logical classes of activities, the line chart sets forth the lines of authority and formal communication. Sometimes a line, or line and staff chart also includes functions in the form of succinct descriptions of major duties of the various jobs included in the chart. For example, the REA Management Division "Organization" chart is a combination line organization and function chart.



In order to establish and clarify the organizational and functional responsibilities of specific units and positions to secure the maximum effectiveness at minimum cost, it is necessary that borrowers prepare job descriptions in most instances. The reason is that most businesses have one or more functions which are assigned to organizational units having more than one position. Therefore, each position must have the details assigned to it spelled out clearly. It is also often necessary to combine functional assignments into a single unit or even a single position. People always need some effective means of specifying what their work is. Expertness - professional competence - in these matters is essential to maximum productivity for the business and this is one of the key reasons for the existence of a management profession. A sample job description is included as Exhibit C. In order to avoid creating a stereotype, we submit a sample job which is not likely to be found in most rural electric cooperatives although it is common to many types of larger businesses. The essential elements of job descriptions are the same, however. They are:

- (a) A statement setting forth to whom the job-holder is responsible in the organization, and the amount or degree of supervision received.
- (b) Specification as to authority and responsibility over other employees, material and equipment as the case may be.
- (c) Description of at least the major activities and duties assigned to the job.

The sample job description also includes a normal time distribution for that job. The development of this feature by the borrower may be useful in clarifying the status of the job with respect to the Fair Labor Standards Act, provided the job description and time distribution are accurate and realistic. If placed in the job description, any such normal time distribution must be determined by decision of the borrower, not by the Management Division representative. The development of time distribution data as a part of procedural analysis is vital elsewhere in the process of management improvement for any business. Time distribution data and productivity standards must be studied in the process of finding and proving the relative effectiveness of various procedures and work distribution arrangements in order to choose the best. Since "time is money" it is necessary to find the most productive uses for the time, effort, and thinking purchased.

In developing these aids to better organization, the field representative is likely to be requested to give additional assistance beyond the scope of management assistance. In some cases he may be asked to substitute his own judgment for that of the borrower and to make decisions which should be made only by the borrower. Such additional assistance must not be given. In order to be consistent with basic REA policies and the law, the following specific guide lines must be observed in our activities and relationships with borrowers:

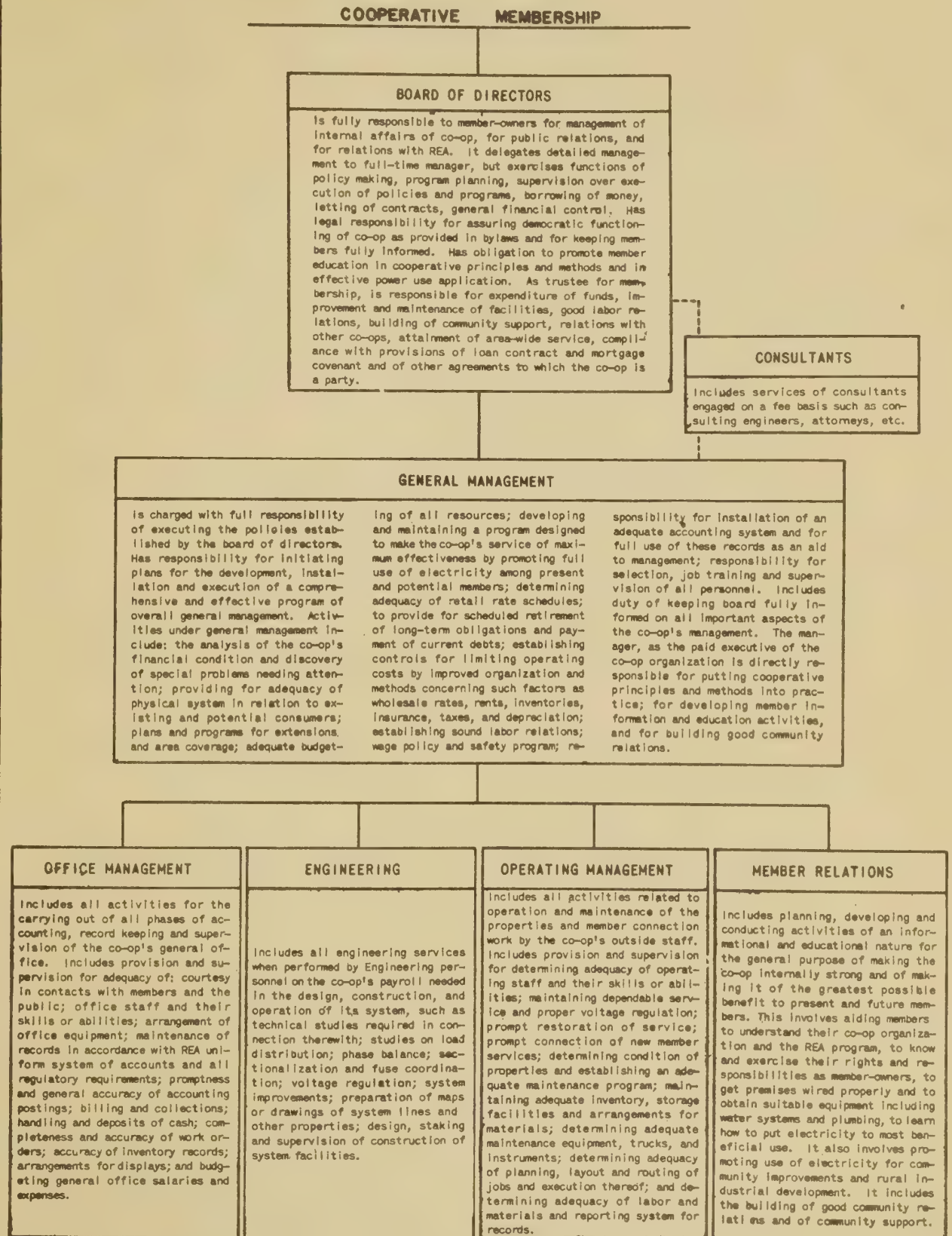
- I. In developing and using these techniques and tools our objectives are not simply to produce the best or most technically correct chart or job description. We should give appropriate consideration to the desires of the borrower with respect to the technical details included in the format. We are attempting primarily to assist the borrower in strengthening its own organization and in strengthening its ability to handle its own management problems effectively. To the extent that knowledge of these management methods will be useful to the borrower, we should endeavor to make such knowledge available to the borrower.
- II. Prior to the writing of the job descriptions, it is necessary that the borrower make a job analysis. As used here, the term means the process of studying the operations, duties and organizational relationships. Various methods may be used, such as on-the-job observation, interview, desk audits, and procedure studies. The manager or his representative should participate in interviews with employees. The Management Division representative should confine himself to obtaining facts, and must avoid giving orders or directions to the employee in this process. Such interviews shall be conducted individually with the employee or employees involved and shall not be handled on a group basis, at least insofar as the Management Division representative is concerned.
- III. The borrower's management may desire to use the job descriptions for other purposes, or include additional activities in the process of preparing the job descriptions. It may be appropriate and desirable for borrower management to do so. It is not appropriate or desirable for Management Division representatives to do so.

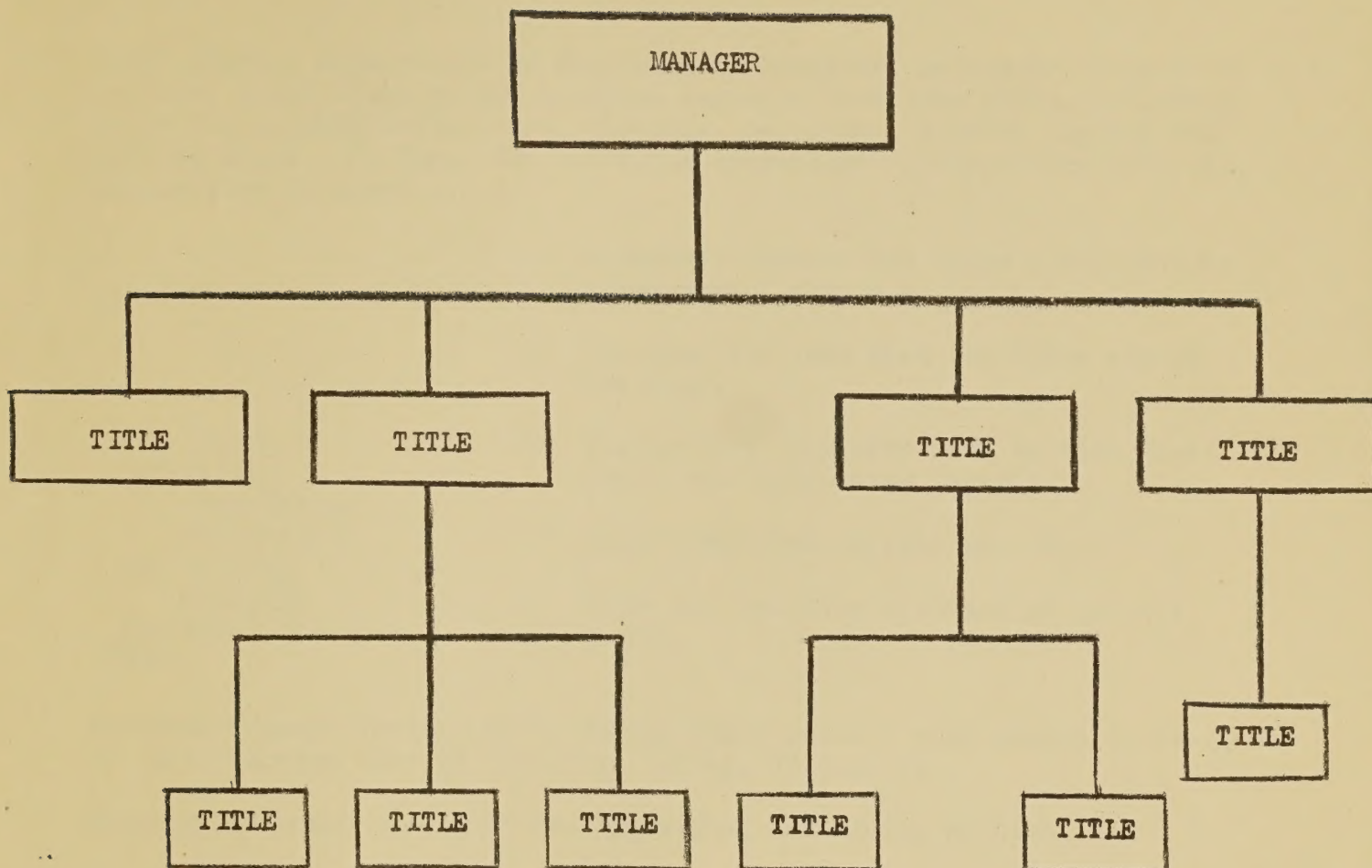
In any case where the borrower management indicates interest in getting advice regarding wage scales and conditions of employment, the REA Management representative (1) may point out the

general rule that it pays to offer sufficient monetary and morale inducements to secure competent help at any level; (2) shall suggest that the borrower management seek assistance from the appropriate federal, state, or local agency having responsibility for the administration of the various laws relating to labor standards and practices, as a separate and distinct activity not a part of the efforts to improve procedures, functional divisions of work, or organization structures; and (3) shall offer to withdraw (and shall do so) if the management does not wish to keep separate the study of organization from the study of collective bargaining processes.

- IV. Job descriptions are also frequently used to draw up job specifications or other similar statements of desired qualifications for employment. However, in discussing such matters with an individual borrower, we must be sure we do not interfere with the borrower's responsibility for making its own decisions.
- V. In line with the borrower's responsibility for making its own decisions with respect to job classification and job grading, it is also the borrower's responsibility for making its own decisions with respect to job evaluation. In view of the disparity in size and other characteristics of the borrowers, we are not recommending any particular method of job evaluation. We desire that our field representatives be able to answer general questions regarding different techniques in the field of job evaluation, but it is the responsibility of the borrower to develop its own decisions in these matters. Our representatives should not attempt to develop job evaluation systems for individual borrowers.
- VI. In considering functional and organization changes to secure improved work methods and procedures, and work simplification all parties need to be continuously aware of many related factors including morale, personnel requirements, the availability of competent people and two basic program policies; (1) that the cooperatives render maximum service at minimum long range cost consistent with (2) the maintenance of sound labor management policies and practices.

ORGANIZATION OF MANAGEMENT FUNCTIONS OF AN REA-FINANCED COOPERATIVE





JOB DESCRIPTION -- PAYROLL CLERK

Under general supervision of Assistant Comptroller, maintains records of employee classification and prepares payrolls from time cards, including preparing classification card, checking, verifying, listing, typing and running tapes. Performs the following operations in connection with the preparation of payrolls:

- | | |
|--------------------|--|
| | 1. Receives, indexes and files notifications of personnel action. |
| | 2. Verifies the fact that employees report for duty. |
| 50% Typing | 3. Transcribes time card data to time sheet spread and calculates payroll. |
| 15% Filing | |
| Computation | 4. Types completed payroll record. |
| Calculation | |
| 20% Posting | 5. Types and verifies accuracy of payroll checks. |
| Checking | |
| 15% Misc. Clerical | |
| <u>100%</u> | |

Performs sundry clerical tasks during slack periods when needed in assigned or other section such as checking, typing, filing, etc.

Machine equipment used includes typewriter and adding machine.

